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Market Strategy: Mid-Year Dullness Helps Realty Stock View

That headline is not a mistake: If dullness comes, can a market turn be far behind? Dullness, in our opinion, is necessary before the market turns for realty stocks. And everywhere we look, we see good old fashioned dullness.

Some dullness traces directly to the calendar. Just as surely as the summer solstice signals the beginning of summer, doldrums have arrived in the market for realty stocks. The official beginning of summer sparked over the past two weeks a rash of realty companies coming to New York City to tell their story to real estate analysts. After this week the heavy vacation time all but kills any attempt to find any sizeable number of analysts willing to listen.

Some dullness reflects the fact that stories about the real estate "debacle" have become old hat to journalists. Media attention is turning to greener (i.e., more exciting) pastures. Even the denouement of the fall of New York and Atlantic City real estate tycoon Donald Trump has now been pushed off most front pages. Smaller and shorter stories in the back pages tell of a nearly-complete loan pact that will keep Trump out of bankruptcy court but probably mean the dismantling of his realty empire in coming months.

The Story Companies Tell: Most companies making their trek to New York City are telling stories with a common thread of maintaining strength and liquidity intact while waiting for the market to turn. We summarize the specifics of what these companies are saying on page x. One example: **Ryland Group Inc.**, a Maryland based national homebuilder, said 1990 earnings would "not be as good as we had hoped but better than you (Wall Street) think." Since Street EPS estimates run anywhere from $2.00 to $2.75/sh. for RYL (vs. $3.25 in 1989), this would seem to be good news. But RYL stock promptly dropped $1.

The Judgment Analysts Make. Our informal sampling of analyst reaction was about as expected: the stories and situations were interesting to analysts but Wall Street's major brokerage firms are so locked into favoring instant performers that there seemed slight chance that any meeting would spark a wave of "buy" recommendations.

The reverse may be true: Merrill Lynch, one of the analytical leaders among wire houses, downgraded intermediate- and long-term opinions on 14 of 15 major equity REITs (all but **New Plan Realty**) at the beginning of June — the same time that Merrill chopped its highly visible senior REIT analyst, Thomas Kearns, from its payroll. Merrill now rates only four equity REITs (**Health Care Props., Washington REIT, Weingarten Realty** and **Western Investment RET**) as "above average" for the intermediate-term; 11 others are rated "average" or market performers. Not fully understood is that the Merrill Lynch rating system depends upon relative price change alone, and ignores total return, or price change plus dividend, which most REIT investors — and REALTY STOCK REVIEW —seek.

All this is part of what is visibly going "wrong" in the world of real estate. Common sense and experience tell us that things are so bad they should start going right somewhere down the line. The situation in two key economic areas:

Crunched or Not? Interest rates have fallen since May but the Federal Reserve has remained on the sidelines without signalling that it will push rates lower. Without any signal from the Fed, realty stocks aren't going to take off, and Fed action boils down to a question of whether or not the economy is laboring under a "credit crunch". Two Bush Administration cabinet officers — Kemp in HUD and Mosbacher in Commerce — now say publicly that a real estate credit crunch is spreading into other business sectors. The Fed still maintains there isn't any credit crunch. June quarter GNP is estimated to be stronger than expected, leading the Fed to acknowledge that credit was "tightening but there was no credit crunch." Good real estate projects to credit-worthy developers can still get financing, the Fed maintains.

Bottom line: Sooner or later we think

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Portfolio Planner of Stocks For Investment Goals

Portfolio Planner is designed as a Model Portfolio for long positions (first five sections below); a list of stocks to avoid or sell; and a group of less timely but still useful stocks (group below the heavy rule). Key elements of Selector are:

1. Current Pricing Limit and Stop Loss Points for Each Stock. We suggest initial, or limit, purchase prices plus check or sell prices in the two right hand columns. We would follow these when placing buy/sell orders with brokers. Our check point prices change monthly with the market.

2. Percentage Price Changes. We show percentage price changes for recommended stocks in the latest month, and since the stoocks were added to Portfolio Planner.

3. Stocks Grouped for Investment Goals. Long positions are grouped into five major categories reflecting major investment goals. The first four groups are tailored for mainstream, risk-averse investing. The fifth group, Aggressive Recovery, contains stocks whose yield and recovery are speculative and riskier.

4. Location and Region. Selector lists major property types and regions so you can balance holdings.

Stock (Month recom.)	Entry Price	Property Type	Detail Reg.	Curr. Price	Chg. From recom.	Check Points Buy to	Sell At
INCOME AND ASSET VALUE GROWTH							
Seasoned Equity REITs and Income Property Owners							
Bradley RE (1/90)	9.88	SC	NM	9.63	(0.5)	10.50	8.88
Burnham Pacif. (1/90)	19.00	SC/OF	CA	*15.88*	(14.7)	16.50	17.13
Chicago Dock (1/90)	20.00	LD	L	*17.50*	(12.2)	20.00	18.00
Dial REIT ((1/90)	16.25	SC	MW	*14.25*	(9.7)	15.50	14.25
EQK Green Ac. (1/90)	11.88	SC	NY	12.38	+6.9	12.50	10.75
Equit. RE Sh. IP (1/90)	7.63	SC	MW	*6.63*	(9.6)	8.50	6.88
Federal Rl. (1/90)	20.75	SC	NE	20.50	+0.5	22.50	18.63
IRT Prop. (1/90)	12.38	SC	SE	11.75	+6.4	13.00	11.13
Intl. Income (1/90)	13.63	SC	US	*18.63*	+38.8	17.50	12.25
New Plan Rlty (1/90)	17.00	SC	NE	16.88	+0.8	17.00	15.25
Penn. REIT (1/90)	26.25	SC/AP	NE	*21.00*	(16.7)	25.00	21.00
Santa Anita (1/90)	28.50	SC/RA	CA	26.25	(6.1)	28.50	25.63
Shopco Lau. LP (1/90)	8.63	SC	MD	*8.00*	(4.0)	8.00	7.75
Utd. Dom. (1/90)	17.13	APT	SE	15.88	(6.5)	17.00	15.38
Wash. REIT (1/90)	17.63	OF/AP	DC	17.75	+2.2	18.00	15.88
Weingarten Rl (1/90)	31.00	SC	TX	*27.75*	(9.0)	29.00	27.75
West. Inv. RE (1/90)	17.88	SC	CA	17.38	(0.8)	19.00	16.13
GROUP					(3.8%)		
ABOVE AVERAGE INCOME, LOWER GROWTH & INTEREST RISKS							
Fixed & Participating Mortgage REITs, Medical Leaseback REITs							
Amer. Health Pr. (1/90)	22.00	MD	US	22.38	+7.0	22.50	19.75
Fed. Nat. Mtg. (5/90)	40.25	MG	US	40.25	0.0	42.00	36.25
Health Care Pr. (1/90)	31.00	MD	US	30.13	+2.0	42.00	27.88
Nationwide Hlth. (1/90)	14.88	MD	US	15.00	+3.9	16.00	13.38
Rock. Ctr. Prop. (1/90)	20.25	OF	NY	18.38	(6.9)	20.00	18.25
Univ. Hlth. Rl (1/90)	13.00	MD	US	11.88	(5.8)	13.00	11.75
GROUP					+0.6%		
FASTER GROWTH, DEVELOPMENT RISKS PLUS PRICE VOLATILITY							
Investment Builders, Income Property Owners, & Equity MIPs							
Forest City A (1/90)	39.25	SC/OF	US	37.00	(5.2)	40.00	35.50
Koger Prop. (1/90)	22.75	OF	SE	*19.75*	(10.1)	22.00	20.50
Rouse Co. (1/90)	24.00	SC/LD	US	24.50	+2.7	25.50	21.63
GROUP					(4.3)%		
LONG TERM GROWTH VIA LAND DEVELOPMENT/RATE RISKS/PRICE VOLATILITY							
Land & Income Property Developers, Homebuilders							
Centex Corp. (1/90)	33.25	HG/MT	US	*42.75*	28.9	37.50	29.88
Clayton Homes (5/90)		HG	GA	11.25	0.0	12.00	10.13
Inter. Genl. IP (3/90)	7.75	LD/AP	MD	7.75	+5.2	9.75	7.00
Lennar Corp. (1/90)	18.63	HG	FL	17.00	(8.1)	19.00	16.75
Newhall Land (1/90)	28.88	LD	CA	30.50	+7.0	31.00	26.00
Oakwood Homes (5/90)		HG	GA	10.75	0.0	11.50	9.63
Std. Pacific IP (1/90)	15.25	HG	CA	*11.75*	(8.2)	13.00	11.75
GROUP					+6.8%		

Stock (Month recom.)	Entry Price	Property Type	Detail Reg.	Curr. Price	Chg. From recom.	Check Points Buy to	Sell At
AGGRESSIVE RECOVERY/TAKEOVER CANDIDATES/LIQUIDATIONS							
Less Certain Yield, Higher Price Volatility							
Copley Prop. (1/90)	12.63	IN	W	*12.00*	(2.1)	12.00	11.38
Hlth. Care REIT (1/90)	15.00	MD	MW	12.25	(12.6)	13.50	13.50
ICM Prop. (1/90)	6.38	OF	US	7.25	+17.5	7.50	5.75
MGI Props. (1/90)	12.38	AP/OF	US	11.13	(7.8)	13.00	11.13
Prop. Tr. Am (1/90)	9.25	SC/AP	SW	8.25	(6.3)	9.50	8.38
Webb (Del) Cp. (1/90)	9.25	HG	SW	9.88	+7.3	10.50	8.38
GROUP					(3.0)%		
All Long Stocks above					(3.0)%		
S&P 500					10.0%		
AVOID/SELL Stocks which may be vulnerable to price/dividend declines							
BRT Realty (1/90)	12.25	MG	NY	8.38	(27.6)	—	—
CVREIT (Cenvill) (1/90)	9.50	MG	FL	6.50	(27.9)	—	8.50
Hotel Inv. (1/90)	5.63	HT	US	3.50	(33.3)	—	—
Landmark Land (1/90)	9.63	LD	W	10.50	+9.1	—	12.00
Mtg. Inv. Plus (3/90)	6.38	OF	CA	3.75	(38.0)	—	—
Mtg. & Rlty. Tr. (3/90)	6.38	DV	US	5.63	(11.8)	—	—
Pres. Rlty. B (1/90)	6.00	AP	NY	6.13	+5.4	—	—
TOTAL AVOID/SELL					(17.7)%		
LESS TIMELY STOCKS/STABLE INCOME & SLOWER ASSET VALUE GROWTH							
Income Property Owners/Equity and Mortgage REITs							
BRE Properties (1/90)	27.88	AP/SC	NW	26.63	(2.3)	27.50	25.13
Cousins Props. (1/90)	15.75	LD/OF	GA	15.00	(3.8)	16.00	14.13
Eastgroup Prop. (1/90)	20.25	OF/IN	US	15.63	(19.6)	16.00	18.25
HRE Props. (1/90)	19.50	SC/OF	US	15.88	(17.3)	18.50	17.50
Koger Equity (1/90)	19.00	OF	SE	17.13	(7.5)	18.00	17.13
Mellon Partic. (1/90)	5.63	SC	US	*4.75*	(12.5)	5.50	5.13
Perini Invest. P. (1/90)	13.88	OF/IN	US	*12.25*	(9.5)	13.00	12.50
REIT of Calif. (1/90)	14.25	SC/OF	CA	14.38	+3.4%	15.00	12.88
Recovery candidates: Builders/developers & REITs							
Cleve Trust Rlty. (1/90)	3.88	OF/SC	SW	3.38	(12.9)	4.00	3.50
Duke Realty (1/90)	5.00	OF/IN	MW	*4.50*	(3.2)	5.25	4.50
First Union RE (1/90)	15.63	SC/OF	NAT	15.38	+0.8	16.50	14.13
K&B Home (1/90)	12.63	HG/CL	CA	12.88	+3.2	14.00	11.38
MSA Rlty. (1/90)	8.63	SC	MW	6.13	(27.2)	7.00	6.00
Ryland Gr. (1/90)	19.25	HG/MG	US	20.50	+7.3	21.00	17.25
Sizeler Prop. (1/90)	14.00	SC	IA	13.75	+3.8	14.00	12.63

Property types: AP=Apartment; CL=Commercial; DV=Diversified; HT=Hotel/lodging; HG=Housing; IN=Industrial; LD=Land Devel.; MT=Motel; MG=Mortgage; OF=Office; RA=Race track; RH=Retirement housing; SC=Shopping Center; SL=Savings & loan.

Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NW=Northwest US=National. States are Postal Service code.

Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined; Fed. Nat. Mtg. to Above Average Income Group; Clayton Homes & Oakwood Homes added. Genl. Development & Leisure Technology deleted. Stocks selling at, above or below limit prices are in *bold italics*

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the Fed will join the band and nudge rates lower to keep the economy going.

Realty Stocks: Most seasoned realty stocks have stabilized since early May, when interest rates turned down, and are starting to match the performance of the S&P 500. Even the deflated homebuilder stocks aren't hitting new lows even as housing starts touch lows not seen since 1982. Realistically we don't expect any sudden turn until the Fed loosens credit.

Realty stocks have performed well below market averages during the past year. But the past has nothing to do with what happens in the near future, and hence we see a market situation in which downside risk is now minimal and upside potential much higher.

The big mid-year trend we see is that dividends and cash flow have stopped going down for most real estate owners and operators, and the number of "negative" surprises is diminishing. Most seasoned equity REITs and investment builders have been hammered below their historic dividend yield norms, which limits downside risk if cash flow and dividends merely hold at present levels. But if market yields do nothing more than return to normal for these REITs, then investors could wind up earning 15%-20% total returns from the group. We think probability of this scenario is very high, since it's clear that investors discount real estate events much farther into the future than for other more volatile businesses (e.g., technology companies). That's why we're bullish at this mid-year.

Portfolio Planner: Hold Positions Amid Changes

We are suggesting no changes in Portfolio Planner for June because we see holdings as well positioned to take advantage of the environment we see unfolding for the second half. This is the sixth month since we switched to a model portfolio approach and a mid-year review seems in order. Here's how we size up the portfolio:

Price performance has been disappointing in many issues, although we see some hope that prices are stabilizing as noted on page one.

Total return is acceptable compared to a very modest rise for the S&P 500.

Portfolio mix seems well positioned for the market we see ahead, with seasoned equity REITs, mortgage and leaseback issues potentially benefitting from a return to normalized valuation on stable cash flow described above. We may increase the mix to recovery issues in the months ahead. Portfolio mix stands as follows:

Long-term income and asset value growth, mainly seasoned equity REITs and property owners — 40%

Above average income and slower growth, mainly mortgage and leaseback REITs — 20%

Faster growth with development risks, mainly investment property builders — 12%

Aggressive recovery, takeover candidates and potential liquidations — 8%

Long term growth via land development, mainly community and home builders — 20%

Portfolio Planner Stocks: Rouse Tells a Story of Financial and Land Strength

Rouse Co. (ROUS:OTC), developer of enclosed-mall shopping centers and mixed use projects, and developer of the Columbia new town between Baltimore and Washington, portrayed a picture of continued retailing center growth and a strong land position at its biennial meeting with security analysts. ROUS is the largest publicly owned realty developer and manager both in properties owned and managed, and in market capitalization. ROUS owns or manages 77 retail centers with 44.8 mil. sq. ft. including 19.5 mil. sq. ft. of mall space, plus 862,000 sq.ft. retail in Columbia; 26 offices with 3.46 mil. sq.ft.; 1,268 hotel rooms; and 6 mil. sq. ft. office and industrial space in a joint venture with Teachers Insurance & Annuity Assn.

Retail sales at ROUS centers, the power behind ROUS cash flow, rose 4.4% in 1989 and a further 7.5% through April. Rents and revenues have grown at 18.7% compounded annually over the past five years and, with operating costs rising slightly more slowly, net operating income before debt service has risen at 20.5% annually over that span. Total debt service costs have risen slightly faster, so that net cash flow after debt service has risen at 11.4% yearly over that span. ROUS made these points to analysts:

—**Current asset value** of assets, put at $34.80/sh. at end of 1989, represents a middle-road valuation of about 10.53% internal rate of return for its retail centers. Retail centers account for 82% of ROUS' current net asset value, with offices and mixed-use complexes adding 11% and land at Columbia 7%. Since the meeting ROUS common has dropped about 4% to 23, where it trades at a 34% discount to current asset value. That discount is the biggest for ROUS since April through August 1982, when ROUS sold at an average 36% discount to current net asset value. Those five months marked the end of the last previous bear market in realty stocks.

—New development is slowing and ROUS now is entering more joint ventures and investment arrangements that give ROUS a fee for managing property on behalf of others. Examples:

CIGNA Corp., a major insurer, and ROUS in 1987 entered two joint ventures to buy (a) $100 mil. of land for future development; and (B) $500 mil. worth of existing shopping centers for renovation, with ROUS paying 10% of purchase price in the latter venture. About $81 and 229 mil. remained available for purchases at the end of 1989, and ROUS has agreed to buy the 659,000 sq. ft. Salem (Ore.) Centre in the venture.

Teachers Insurance & Annuity Assn. entered a 95%-5% joint venture in 1988 to buy $500 mil. of properties formerly owned by McCormick Co. in the Baltimore area.

Three long-term landowners entered a venture under which ROIUS will handle development of 1,000 acres in the Baltimore-Washington corridor. ROUS makes no land investment directly.

—The Baltimore-Washington

corridor is becoming central to ROUS' future. This urban area is now the nation's fourth largest urban area and ROUS now owns 10 mil. sq. ft. of retail and office in the corridor and controls land for another 26 mil. sq. ft. In the March qtr. ROUS bought 1.6 mil. sq. ft. industrial space and 312 vacant acres from General Electric at one entrance to Columbia at I-95 and Md. Route 175, adding to this land bank.

Advice: A Rank is continued and we retain ROUS in Portfolio Planner as a premier long-term hold. The current discount, deep by historic standards, should narrow as the realty stock market climate improves.

Federal Realty Investment Trust (FRT:NYSE), a shopping center REIT based in the Washington suburb of Bethesda, Md., told analysts it probably has made $10-15 mil. (or about 60¢ to $1/sh.) just from strong pre-leasing at its still-building Federal Plaza project on heavily traveled Rockville Pike in Rockville, Md. Last year FRT assembled three adjoining parcels by buying leases held by floundering limited partnerships and developed a plan to integrate elements of the three previous retail buildings into a new 250,000 sq.ft. center. The new space is now about 81% pre-leased with Phase I set to open in Sept. and Phase II in March 1991. Advice: We retain FRT in Portfolio Planner and expect a dividend uptick on the A-Ranked shares sometime later this year. Federal Plaza shows FRT's ability to move quickly in a crowded market and turn some ugly ducklings into swans.

Health Care REIT (HCN:ASE), a leaseback and mortgage financier of nursing homes and other health facilities, reports a slightly better tone to the medical care businesses it finances, with patient censuses up moderately, labor and other costs rising less rapidly, and state reimbursement programs for patients moving up gradually. HCN sees further improvement tracing to a June 14 U.S. Supreme Court decision letting hospitals and nursing homes sue states if joint Federal-state Medicaid payments don't cover patient care costs. A Virginia group argued that state's programs paid only 71% of patient costs. Many states have balanced their budgets by delaying or withholding payments to nursing homes for as long as nine months, forcing some failures. The decision effectively should phase out this practice. HCN expects $6.5 mil. of low-earning real estate owned to be sold by year-end, adding about 3¢/sh. to quarterly EPS. HCN also will add about $35 mil. new fundings over the next year, boosting EPS by about another 3¢/sh. quarterly. Advice: HCN continues at B Rank in Portfolio Planner as a strong recovery candidate.

Ryland Group Inc. (RYL:NYSE), Maryland based national homebuilder, said earnings may be under pressure as more of its sales shift from high-margined areas in Calif. and the mid-Atlantic states into the Southeast and Southwest. RYL has hired Roger Schipke, formerly head of General Electric's appliance division, as new president, and he will become chairman at year-end. Schipke sees housing evolving into a high-end consumer durable with larger companies such as RYL playing larger roles in quality control, mortgage and financial placement, and follow-on product servicing. RYL's EPS rose 31% in the March qtr. but most analysts expect a drop from the $3.25 of last year (see page 1). Advice: We keep RYL at A Rank and retain in our Less Timely list in Portfolio Planner with the caveat that if and when money market rates turn, it may be difficult to catch RYL on the upswing. Meantime the stock sells at a modest 9% premium to $17.01 book value.

Lennar Corp. (LEN:NYSE), Florida based multi-market homebuilder, told the New York Society of Security Analysts that while it expects EPS to fall from the $2.80 per share of the Nov. 1989 year, its balance sheet was extremely strong and well positioned to capitalize on two trends: (a) the demise of the S&L industry as a financing source for thousands of small to medium-sized builders, and (b) enactment of the Florida Growth Management Act (GMA) which mandates that local communities must have funds allocated for local improvements (roads, sewers, water, etc.) before builders can begin construction. LEN hopes to use its liquidity to acquire bargain prices at the bottom of the cycle. And LEN owns or controls 34,000 home sites, the majority of which meet the tougher new GMA standards. Advice: With LEN selling at a 31% discount to $26.09/sh., we retain the A-Ranked shares in Portfolio Planner for the inevitable turnaround ahead.

ICM Property Investors Inc. (ICM:NYSE, B Rank), a joint venture financing REIT specializing in offices, says it is working toward closing purchase of a package of industrial properties from West Coast realty developer Peter B. Bedford of Bedford Properties. ICM expects to issue $10 mil. of stock at a minimum $10 per share for the properties, which are expected to carry about $20 mil. debt. The transaction will be closed in September and ICM does not expect shareholders will vote on the deal. Bedford bought ICM's investment adviser in March and has also bought 565,000 ICM shs. in the market. When the deal closes, Bedford would own about 24% of ICM. If ICM is able to get the 9% minimum yield it expects on the new properties, we estimate earnings and cash flow could move up moderately in 1991. Advice: B-Ranked ICM shares continue in Portfolio Planner's Recovery Group.

MSA Realty Corp. (SSS:ASE), a shopping center owner and financier managed by the Mel Simon organization, is removed from Liquidating category and returned to the equity REIT group in our statistics, with a current C Rank.. SSS has abandoned its efforts to sell its properties and now says it will pursue a refinancing of its properties and hopes to close a new loan later this year. SSS says operating cash flow nearly tripled to 17¢/sh. in the March qtr., vs. 6¢/sh. in 1989. Advice: SSS is retained as a Less Timely selection in Portfolio Planner until the refinancing plan clarifies.

IRT Property Co. (IRT:NYSE, A Rank), an equity REIT owner of Southeastern shopping centers, has repurchased $8.87 mil. of its 2% convertible debentures in privately negotiated transactions, and expects to report about a 6¢/sh. gain on the repurchase. While the debentures carry a low rate, holders can put one-half of the total issue back to IRT at a 27% premium to par in

August 1991. IRT intends to hold the repurchased debentures and excercise its put option. Advice: IRT holds in the Long-term Growth group in Portfolio Planner with a 9.8% current dividend yield.

HRE Properties (HRE:NYSE, B Rank), a diversified equity REIT investing mainly in office and retail properties, restored its 45¢/sh. quarterly dividend after dropping to 25¢/sh. for one quarter to reflect expenses of a protracted battle and subsequent buyout of a dissident shareholder. April qtr. operating EPS fell 10% to 17¢/sh., due mainly to higher interest on $4.2 mil. borrowed to repurchase shares. Rents and property operations are said to be flat, with some improvement reported in offices in Portland and Houston. HRE expects to sell most properties west of the Mississippi sometime in the next two years and use funds to repurchase additional shares (it can buy another 235,000 shs. under current buyback approvals) and buy properties in the East. Advice: HRE is a Less Timely recovery selection in Portfolio Planner.

Battle Over MLPs: Should Limited Partners Vote on New GPs?

Two tense legal duels are underway to decide whether limited partners who bought mortgage syndications from bankrupt Integrated Resources can vote on a successor to Integrated as fund managers.

At stake are management fees to be paid by master limited partnerships (MLPs) owning $1.3 bil. mortgage assets. Two groups have agreed to pay Integrated $85.1 mil. for the privilege of managing these mortgage assets.

Integrated argues that the partnership agreements give it the right to sell its general partnership (GP) interest to a successor GP without consulting the nearly 100,000 limited partners (LPs) who bought limited partnership interests.

So far Federal bankruptcy court Judge Howard C. Buschman II of New York City, who presides over Integrated's Ch. XI bankruptcy case, has sided with Integrated by approving Integrated's auction procedures that rule out any vote by LPs. The proposed GP sales still must be approved by the bankruptcy court but whether the bankruptcy court has the final say remains an open question. Details of the hotly contested actions:

The AIM Funds: Integrated agreed June 15 to sell its GP interest in four American Insured Mortgage (AIM) funds to Krupp Cos., a Boston based syndicator, for $45.1 mil., payable $38.6 mil. immediately plus $6.5 mil. within one year. The purchase price equals 5.8% of $773 mil. assets held by the AIM funds.

But CRI Inc., sponsor of two NYSE listed REITs which invest in FHA insured apartment mortgages, is mounting a challenge to the Integrated-Krupp deal and plans to go over the heads of both Integrated and its bankruptcy court to take over control of the AIM funds. CRI registered with the S.E.C. a proposed exchange offer which would offer the 64,000 AIM fund LPs the option of exchanging their units for shares of either **CRI Insured Mortgage Assn., Inc.** (CMM:NYSE, not Ranked) or of a newly organized REIT, AIM Liquidating REIT, Inc., whose shares would also be listed on the NYSE.

Integrated quickly moved to have the bankruptcy court restrain CRI from making its offer to LPs, but Judge Buschman instead set a July 19 hearing on whether or not to issue a temporary restraining order.

CRI has been negotiating since last year to buy AIM's GP interests, offering at one point $60 mil., but always insisted that LP approval must be part of the deal Otherwise a new GP could be subsequently replaced by LPs in some future vote, CRI contended. Ironically, Krupp itself threatened to go over Integrated's heads and appeal directly to LPs when it appeared CRI might be the winning bidder.

The law is unclear on whether LPs should vote upon a successor GP, with most courts holding that the limited partnership agreement itself controls whether a vote is required. On this point CRI argues in a parallel lawsuit that Integrated, on the day before it filed for bankruptcy court protection on Feb. 13, 1990, amended the partnership agreement to provide that the management fee shall be reset by a disinterested arbiter if Integrated is removed as general partner by a vote of unitholders. Integrated disputes CRI's claim that this was a "cleverly disguised poison pill."

The AIM funds are: **American Insured Mortgage Investors 84** (AIMAZ:OTC); **Amer. Insured Mtg. Inv. Series 85** (AIMBZ:OTC); AIM 86 (not listed); and AIM 88 (not listed). Advice: RSR does not cover the AIM funds and has no opinion. CRI Insured Mtg. could be an important beneficiary if its exchange offer becomes effective. See RSR, June 8 for previous comment on CRI.

American Real Estate Partners: Integrated also agreed to sell its GP interests and about 10.3% of units in American Real Estate Partners (ACP:NYSE, C Rank) to an affiliate of Sterik Co. for $40 mil.

Sterik, an Auburndale, Mass. owner of about 180 properties with about $500 mil. fair value, counts Mershulam Riklis, the financier, among its general partners. This sale is subject to bankruptcy court approval and any higher bids, if any, but not to a vote by ACP unitholders.

In May two holders of about 107,000 ACP units, Edge Partners L.P. and Oppenheimer and Bigelow Income Fund I sued to force ACP to provide it with a unitholder list. They want to propose converting ACP to a REIT (RSR, May 25). Advice: We'd avoid ACP until identity of its future manager is clear.

Congressional Curiosity: Separately a House subcommittee on Telecommunications and Finance plans holding hearings next week on rollups, or mergers, of limited partnerships into MLPs. Chairman Edward Markey (D., Mass.) has asked the S.E.C. to comment by mid-July on how conflicts of interest may be mitigated in rollups, and whether current disclosure rules are adequate.

Spinoffs: Chicago Milwaukee Spins Off Real Estate

Chicago Milwaukee Corp., now a closed end investment company, has completed spinning off its real estate into a new limited partnership, **Heartland Partners, L.P.**, which began trading on a when-issued basis on the ASE under the symbol HTL.WI. Once a railroad company, Chicago Milwaukee sold all rail assets in 1986; it is 21.9% owned by an investment group including Odyssey Partners, Jack Nash, New York City realty operator Peter Sharp, E.K. Zilkha, and others. A Chicago Milwaukee unit, Milwaukee Land Co., will be general partner. We will be including Heartland in RSR in future issues.

Castle & Cooke Inc. (CKE:NYSE) has postponed its planned spinoff of Dole Food Co. because of delays in getting I.R.S. approvals. The spinoff would leave CKE as a major Hawaiian and California land owner and developer. CKE also expressed fear that the current credit climate was unfriendly to a land developer.

Marathon Realty Ltd. will not be spun off as previously planned by Canadian Pacific Corp., the Canadian rail giant (see RSR, May xx). CPC shareholders approved the spinoff in May but holders of a preferred stock issue won a court decision nullifying the spinoff on grounds it would reduce assets for preferred holders.

Hudson Bay Co., a major Canadian retailer, however plans spinning off its **Markborough Properties Inc.** subsidieary. Markborough estimates its properties have current market value of US$2.47 bil., approx. the same size as Marathon. Hudson Bay is 79% controlled by Kenneth Thomson.

MARKET PULSE: Two steps forward, one step back

In June realty stocks posted two weeks of solid overall gains only to be followed by two weeks of softening.

While there are few stellar performers among realty stocks as demonstrated by solid net declines in new highs, the group shows some signs of strength.

High/low indicator: Its not a question of "if" realty stocks will turn-around but "when." The stocks in our universe should benefit long before bad news has been completely wrung-out of the system. Long-term value oriented investors are certainly taking a hard look and many appear ready to strike, and some have already done so. However, only with the return of the small individual investor will we see new highs consistently out-pacing new lows.

	New	New	Net	-% of All Stocks-	
Week	Highs	Lows	Highs	Highs	Lows
Jun.22	2	17	-15	0.5	3.6
Jun.15	2	21	-19	0.4	5.7
Jun 8.	4	18	-14	0.8	5.0
Jun 1	4	19	-15	0.8	5.8
May 25	5	23	-18	0.8	5.9
May 18	5	27	-22	0.9	5.5
May 11	5	28	-23	1.2	5.3
May 4	0	23	-23	0.0	3.3
Apr.27	0	22	-22	0.0	2.7

NEW HIGHS

In the first four weeks of June nine new highs were made versus 48 new lows. Companies that continue to make new highs on previous new include Centex Corp. (RSR, Apr. 27), Christiana Cos. (RSR, May 11), International Income Properties (RSR, Mar. 23), and Mission West Properties (RSR, Apr. 27)

International Income Properties shares, now trading at $19.25/sh., are in the $19.20-19.50/sh. value which IIP sees resulting from its planned asset sale sale (see RSR Feb. 23).

New additions to this group are: **American Health Properties; CRI Liquidating Trust; Major Realty; Nationwide Health Properties**; and **Wetterau Properties.**

American Health Properties and Nationwide Health Properties have consumated new stock offerings and are in excellent liquidity positions.

NEW LOWS

Groups containing new lows placed by order of magnitude. Groups do not directly match to groupings in statistical tables. By groups and number of new lows in each:

Equity REITs - 18: Boddie-Noel Props.,Bradley Realty, Chicago Dock, CleveTrust Rlty., Cousins Properties, Dial REIT, EastGroup Props.,Eastover Corp., HMG Courtland Props., Healthvest, Medical Properties, Monmouth REIT, Mortgage Investments Plus, MSA Rlty., One Liberty Props., Property Capital Trust, Rockefeller Ctr. Props., Weingarten.

Homebuilders - 7: Calton, J.M. Peters Co., Lennar, MDC Holdings, Oriole Homes A & B, Standard Pacific Corp.

Mortgage lenders - 7: Angeles Partic. Mtg., Angeles Mortgage Trust, Arizona Land Income, BRT Rlty., Capital Housing & Mtg., Commonwealth Mortgage L.P., CRI Insured Mtg. Assoc.,

Realty Services/Syndicators - 4: Angeles Corp. (and units), Grubb & Ellis Co., Major Group Inc. (was Radice).

Investment/leaseback MLP's - 3: CF Income Partners, Equitable Real Estate., Red Lion LP.

Land Developers - 3: Deltona Corp. Fairfield Communities, FPA Corp.

Chapter XI - 2: General. Development Corp., Southmark Corp.

Developers - 4: .BTR Realty, Parkway Co., Perini Investment Properties, Vinland P:roperty.

Advance/decline indicator: These statistics have been most promising. Any sign of realty stocks return to favor would most likely first be seen in this category. Two consecutive weeks of positive gains proves inconclusive in determining if a rally in realty stocks is impending. Still any sustained improvement in this index would be a likely portend and should be closely followed.

			Net	-% of All Stocks-	
Week	Adv.	Decl.	Adv.	Adv.	Decl.
Jun.15	63	79	-16	2.1	3.1
Jun. 8	71	61	+10	2.6	2.2
Jun. 1	76	66	+10	2.3	3.1
May 25	64	77	-13	2.1	3.1
May 18	62	87	-25	2.0	3.4
May 11	68	74	- 6	2.0	3.5
May 4	61	66	- 5	1.9	2.8

MARKET STATS: KEY DATA FROM OUR MONTHLY COMPUTERIZED MARKET SURVEY

Highest Dividend Yields

Abnormally high dividend yields may indicate the market is expecting a dividend cut in the near future. Mortgage lending REITs, especially the CMO REITs, lead this category. Liquidating entities and REITs with court-ordered dividends are excluded from the listings. REITs with the highest current yields:

Highest Yielding REITs

1. Asset Investors	24.0
2. American Realty	22.1
3. Rymac Mtg. Invesments	20.6
4. Income Opportunity Tr.	19.8
5. Trammell Crow RE	19.3
6. American SW Mtg,	18.6
7. Medical Properties	18.1
8. Health Equity Prop,	17.6
9. TIS Mortgage Inv. LP	17.4
9. Resort Income Inv.	17.4

Highest Yielding Companies

1. Prime Motor Inns LP	26.4%
2. CF Income Partners LP	19.5
3. American RE Partners LP	18.2
4. Forum Retirement LP	16.8
5. Equitable RE Shop. Ctr.LP	16.0
6. Red Lions Inns LP	15.4
6. La Quinta Motor Inns LP	15.4
7. Standard Pacific LP	14.8
8. Shopco Laurel Sh. Ctr. LP	13.6
9. UDC Universal Devlop LP	13.3

Lowest Dividend Yields

Low dividend yields excluding non-dividend payers generally point toward the companies and REITs with the lowest cost of capital, and hence the highest expected growth rates. Low yield may signal a recent dividend cut.

Lowest Yielding REITs

1. Hollywood Park Realty	0.5%
2. Chicago Dock & Canal	2.0
3. Cousins Props.	4.1
4. Bay Meadows Oper.	4.5
5. Lomas & Nettleton Mtg.	5.3
6. International Inc. Props	5.8
7. Sierra Capital Realty VI	5.9
8. Nooney Realty Tr.	6.0
9. Washington REIT	6.2
10. ICM Property Investors	6.3
10. New Plan Realty Trust	6.3

Lowest Yielding Companies

1. Tejon Ranch Co.	0.1%
2. Santa Fe Pacific	0.5
3. Oakwood Homes	0.8
4. Forest City B	1.0
4. Centex Corp.	1.0
5. Forest City A	1.1
6. MCA Inc.	1.2
7. PHM Corp.	1.4
7. Lennar Corp.	1.4
8. NVR LP	1.5
8. First Carolina	1.5

Best Performing Cos.

The best and worst performing REITs and companies based on total return (dividend plus price change) for the past month and over the past year are as follows (excluding stocks selling below $2 per share):

Best Performing REITs

Last Month	
1. vj-Mortgage & Realty Tr.	+24.4%
2. Hollywood Park Realty	+22.7
3. CV REIT	+19.1
4. INVG Mortgage Secs.	+10.0
5. L&N Housing	+8.8

Last 12 Months	
1. International Inc. Props.	+38.6%
2. American Heatlh Props.	+30.3
3. Nationwide Health Props	+29.3
4. Health Care Properties	+16.4
5. Meditrust	+14.2

Best Performing Companies/MLPs

Last Month	
1. Countrywide Credit Ind.	+35.0%
2. Christiana Companies	+20.0
3. Major Realty	+16.7
3. National Realty	+16.7
4. Forest City B	+13.9

Last 12 Months	
1. Pacesetter Homes	+117.6%
2. Continental Homes Hldg.	+56.8
3. Oakwood Homes	+48.5
4. M/I Schottenstein Hms.	+43.9
5. May Dep. Stores	+43.6

Worst Performing REITs

Last Month	
1. Healthvest	-20.8%
2. VMS S/T Income	-14.8
3. Chicago Dock & Canal Tr.	-14.3
4. BRT Realty	-12.8
5. Health Equity Properties	-10.9

Last 12 Months	
1. Healthvest	-81.0%
2. Lomas & Nettleton Mtg.	-67.9
3. EQK Realty Inv.	-62.8
4. Income Opportunity Tr.	-57.2
5. Sierra RE Equity 84	-53.8

Worst Performing Cos./MLPs

Last Month	
1. Fairfield Communities	-50.0%
2. UDC Universal Develop.	-29.6
3. Parkway Co.	-25.5
4. Webb (Del) Corp.	-13.9
4. Peters (JM) Co.	-12.5

Last 12 Months	
1. vj-Lomas Financial	-94.6%
2. vj-Bay Financial Corp.	-92.8
3. vj-General Development	-90.7
4. Unicorp Amer.	-87.3
5. Union Valley Corp.	-83.3

VJ=In Ch. XI bankruptcy.

CURRENT ASSET VALUE COMPARISONS

	DATE	CURRENT VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITs			
BRE PROPERTIES #	7/89	$36.75	-28.6
BURNHAM PAC PR#	12/89	18.00b	-15.3
CEDAR INCOME FD #	12/89	7.39	-30.6
COPLEY PROPS #	12/89	22.43	-46.5
DUKE RLTY INVST #	12/89	8.50	-45.6
EQK RLTY INV I #	12/89	12.89	-66.1
FEDERAL REALTY#	12/89	24.00b	-15.1
FIRST UNION RE#	12/89	24.25b	-35.6
INTL INCOME PR#	12/89	20.05	-4.0
IRT PROPERTY CO#	12/89	14.5b	-17.2
NEW PLAN RLY TR#	7/89	16.67	2.7
PENN REIT#	8/89	27.5b	-19.1
PRU RL CAPITAL #	12/89	1.70	-70.6
SANTA ANITA	12/89	34.25	-23.4
SIERA CAP RLY IV#	12/89	7.94	-49.6
SIERA CAP RLY VI#	12/89	8.82	-36.2
SIERRA RE EQ83#	12/89	10.38	-56.6
SIERRA RE EQ84#	12/89	7.44	-59.7
TRAML CROW REI#	12/89	10.77	-66.3
USP RL EST INV#	12/89	8.25	-56.1
UTD DOMINN RLY#	12/89	20.50b	-22.0
WASH RE (WRIT)#	12/89	19.00b	-7.9
WEINGARTEN RLY#	12/89	25.00b	10.5
WESTERN INV RE#	12/88	19.00b	-7.9
AVERAGE (24 REITS)			-31.9
OPERATING COMPANIES			
vj-BAY FINCL CORP	6/89	6.02	-88.6
EQK GRN ACRES LP#	12/89	15.26	-16.4
EQUITABLE RE SC #	12/88	10.22	-35.2
FOREST CITY-A#	1/90	91.80	-55.3
FOREST CITY-B#	1/90	91.80	-54.2
FORUM RETIREMENT#	9/89	9.96	-76.2
GRUB&ELLS REIT	12/89	6.98	-19.4
LA QUINTA MTR IN#	12/88	15.75b	-58.7
NEWHALL LAND	12/89	28.52	-2.3
PERINI INV PR#	3/90	24.34	-53.8
PRIME MTR INN LP#	12/88	20.90b	-62.3
RED LIONS INNS #	12/88	17.00b	-19.9
ROUSE CO#	12/89	34.80	-31.8
SHOPCO LAURL CTR#	12/88	11.40	-27.6
SOUTHWEST RLTY#	12/89	3.51	-64.4
AVERAGE (15 COMPANIES)			-44.4

Current market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Estimated by RSR; not confirmed by Trust.

TRACKING THE REAL ESTATE MUTUAL FUNDS

6/22/90 FUND	DISTRIBUTOR/ EXCHANGE	FUND TYPE#	NET ASSET VALUE (NAV) NAV	OFFER	PAID 12 MOS.	IND. YIELD	—CHANGE IN NAV— LAST MON.	LAST YR.
OPEN-END FUNDS								
EVERGREEN GLOBAL REAL EST.	Evergreen Funds	NL	$10.07	$10.07	$0.17	1.69%	5.56%	2.23%
FIDELITY REAL ESTATE INV.	Fidelity Mgmt.	NL	9.06	9.06	0.50	5.52%	-1.09%	-2.69%
NATL. REAL ESTATE STOCK	Natl. Secur. & Res.	LD-7.75%	7.27	7.71	0.52	7.15%	-2.28%	-13.45%
NATL. REAL ESTATE INCOME	Natl. Secur. & Res.	LD-7.75%	6.98	7.41	1.00	14.33%	-1.69%	-25.51%
TEMPLETON REAL EST. TR.-New	Templeton Dist.	LD-9%	10.02	10.95	0.08	0.80%	7.05%	NA
UNITED SER. REAL ESTATE	Utd. Services	NL	8.44	8.44	0.37	4.38%	-0.35%	-17.66%
USAA CORNERSTONE FUND	USAA Invest.	NL	18.21	18.21	0.68	3.73%	0.66%	2.94%
CLOSED-END FUNDS			PRICE	NAV				
REAL EST. SECURITIES INCOME	AS-RIF	MKT	$5.75	$6.53	1.00	17.39%	-4.17%	-36.11%

#—LD=LOAD; NL=NO LOAD; MKT=OPEN MKT. PERCENT CHANGES BASED ON NAV NA=NOT APPLICABLE; NEW FUND

GROUP ACTION SUMMARY 6/20/90

GROUP NO.	GROUP NAME	DIV PAY	NO DIV	TOTAL	SHARES (000)	BOOK VALUE	ANNUAL DIV.	EARNINGS 12 MOS.	PRICE 6/20/90	-TOTAL RET. 5/23/90	FROM- 6/21/89	P/E RATIO	ANN. YIELD	% PRICE TO BOOK	RET. ON BOOK	MKT VALUE MIL. $
1	Property REITS	40	5	45	8742	11.43	0.93	0.90	11.91	1.0	(11.5)	13.2	7.8	4.2	7.9	5494.7
2	Leaseback REITS	11	2	13	7929	13.13	1.34	1.62	12.17	1.8	(2.6)	7.5	11.0	(7.3)	12.3	1583.4
3	Property & Mtg. Comb.	15	2	17	5338	12.42	0.71	0.39	6.52	(0.7)	(28.3)	16.8	10.9	(47.5)	3.1	572.4
4	Mortgage REITS	19	3	22	9366	11.93	1.02	0.46	7.26	1.0	(11.4)	15.9	14.0	(39.1)	3.8	1517.1
5	Participating Mtg. REITS	5	3	8	17962	9.73	0.77	(0.16)	6.95	1.1	(18.9)	0.0	11.1	(28.5)	(1.7)	1100.1
	REIT AVERAGE			105	8923	11.78	0.95	0.73	9.72	1.0	(13.0)	13.3	9.8	(17.5)	8.1	10267.7
6	Major Homebuilders	8	4	12	20887	12.24	0.31	1.93	10.57	(4.3)	(24.2)	5.5	2.9	(13.7)	15.8	2147.5
7	Other Builders/Developers	5	22	27	7859	6.11	0.14	0.12	5.44	0.8	(20.7)	45.5	2.6	(11.0)	2.0	971.4
8	Income Prop Bldr/Owner	16	6	22	9101	11.49	0.88	1.16	13.78	3.4	(18.7)	11.9	6.4	19.9	10.1	3056.2
9	Mortgage Banker/Finance	4	3	7	43195	3.67	0.35	(3.43)	10.07	2.4	(3.8)	0.0	3.4	174.5	(93.6)	9857.4
10	Diversified Rlty & Holding	8	4	12	38755	11.80	0.39	(0.24)	22.44	(3.6)	(4.2)	0.0	1.7	90.1	(2.0)	16525.1
11	Rlty Svcs/Syndicators	0	3	3	8284	3.42	0.00	(1.87)	2.82	(6.6)	(41.1)	0.0	0.0	(17.4)	(54.8)	72.4
12	Manufactured Housing	3	3	6	12691	8.98	0.23	0.19	11.21	0.4	6.6	60.0	2.1	24.8	2.1	1041.3
	OTHER REALTY STOCKS AVERA			89	17208	8.95	0.40	0.23	11.15	(0.3)	(14.4)	48.3	3.6	24.6	4.5	33671.3
L	Liquidating Companies	5	0	5	6323	8.50	2.72	(0.51)	5.23	4.2	(13.8)	0.0	52.1	(38.5)	(6.0)	146.6
	TOTAL/AVERAGE			199	12724	10.48	0.70	0.50	10.38	0.3	(13.7)	20.6	6.7	(1.0)	6.7	44085.6
	Dow Jones Industrials							209.48	2895.30	1.4	17.5	13.8	3.7			
	Standard & Poor's 500							21.67	359.10	(0.1)	12.1	16.6	3.4			
	Dow Jones Utilities							17.26	208.56	(2.1)	1.7	12.1	7.0			
	Dow Jones Home Construction Group								363.54	(3.3)	(31.0)					
	Dow Jones Real Estate Group								524.62	(3.7)	(13.2)					

Liquidating Cos. included only in Total Cos. and Market Value Industrials,S&P 500,Utilities, Home Construction & Real Estate Return not adjusted for dividends.

QUALIFIED REAL ESTATE INVESTMENT TRUSTS

RANK	NAME	COMMENT/ ADVICE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN. DIV.	--EARNINGS-- MON	12 MO.	PRICE 6/20/90	TOTAL RET. FROM 5/23/90	6/21/89	P/E RATIO	% ANN. YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. $
A	AMER HEALTH PROP#	12/8/89	NY- AHE	2	14694	18.95	2.36	MAR	2.60	23.75	6.1	30.3	9.1	9.9	25.3	13.7	349.0
NR	AMER SW MTG INVMT	1/27/89	AS- ASR	4	14326	9.76	0.72	MAR	0.45	3.88 X	(1.6)	9.6	8.6	18.6	(60.3)	4.6	55.5
C	AMERICAN REALTY	8/11/89	NY- ARB	4	6356	15.00	0.80	DEC	0.59	3.63	0.0	(41.6)	6.1	22.1	(75.8)	3.9	23.0
C	ASSET INVESTORS		NY- AIC	4	13892	15.00	1.80 S	MAR	1.82	7.50 X	(0.6)	5.7	4.1	24.0	(50.0)	12.1	104.2
B	P- BAY MEADOWS OPER		AS- CJ	1	5773	4.23	0.70	MAR	0.57	15.63	(2.3)	(9.3)	27.4	4.5	269.4	13.5	90.2
NR	BODDIE-NOEL PROP#		AS- BNP	2	2850	11.35	1.36	MAR	1.32	10.25	(1.2)	(13.2)	7.8	13.3	(9.7)	11.6	29.2
A	BRADLEY RL EST #	10/20/89	AS- BTR	1	4175	6.22	0.80 S	MAR	0.64	9.63 X	2.1	(23.9)	15.0	8.3	54.7	10.3	40.2
B	BRE PROPERTIES #	10/20/89	NY- BRE	1	7891	21.29 $	2.40	APR	2.53 U	26.25 X	0.8	(4.1)	10.4	9.1	23.3	11.9	207.1
C	BRT REALTY	9/29/89	NY- BRT	4	7347	14.24	1.20	MAR	1.76	7.00 X	(12.8)	(45.0)	4.0	17.1	(50.8)	12.4	51.4
A	BURNHAM PAC PROP#	5/25/90	NY- BPP	1	6058	14.85 $	1.36	MAR	1.78 D	15.25 X	(1.8)	(12.6)	8.6	8.9	2.7	12.0	92.4
NR	CALIFORNIA REI	9/29/89	NY- CT	1	9075	6.29	0.40	MAR	(0.31) U	2.75	4.8	(25.9)	0.0	14.5	(56.3)	(4.9)	25.0
NR	F- CAPITAL HSG&MTG	11/24/89	AS- CAP	4	4982	8.76	0.75	MAR	0.57	6.25 X	(4.6)	(3.7)	11.0	12.0	(28.7)	6.5	31.1
C	CAPSTEAD MTG CORP		NY- CMO	4	8700	18.45	2.28 U	MAR	1.82	14.75 X	3.9	(5.7)	8.1	15.5	(20.1)	9.9	128.3
NR	F- CEDAR INCOME FD #	4/12/90	OC- CEDR	1	2329	8.05 $	0.52	MAR	0.38	5.13	(8.9)	2.5	13.5	10.1	(36.3)	4.7	11.9
B	CHICAGO DOCK&CANL	3/10/89	OC- DOCKS	1	5784	7.12	0.30	JAN	1.10	15.00	(14.3)	(41.2)	13.6	2.0	110.7	15.4	86.8
C	CLEVETRUST RLTY #		OC- CTRIS	1	1973	17.45	0.00	MAR	(0.77)	3.50	3.7	(39.1)	0.0	0.0	(79.9)	(4.4)	6.9
NR	COLUMBIA RE INVST		AS- CIV	4	5277	9.08	0.92	MAR	0.90 D	6.75 X	3.4	5.8	7.5	13.6	(25.7)	9.9	35.6
NR	CONTL MTG&EQUITY		OC- CMETS	3	3675	24.79	1.98	MAR	(1.50)	7.75	(8.8)	8.1	0.0	25.5	(68.7)	(6.1)	28.5
B	COPLEY PROPS #	5/25/90	AS- COP	3	3949	15.93 $	1.44	MAR	1.30	12.00	0.0	(15.3)	9.2	12.0	(24.7)	8.2	47.4
C	COUNTRYWIDE MTG		NY- CWM	4	13645	8.30	0.68	MAR	0.60	4.00	(5.9)	(16.2)	6.7	17.0	(51.8)	7.2	54.6
A	COUSINS PROPS	3/10/89	OC- COUS	1	17337	6.54	0.60	MAR	1.18	14.75	(1.7)	(16.2)	12.5	4.1	125.5	18.0	255.7
NR	CRI INS MTG ASSN	12/8/89	NY- CMM	4	20121	10.69	1.08 S	MAR	0.95 S	8.13 X	1.8	2.0	8.6	13.3	(24.0)	8.9	163.5
NR	F- CRI LIQUIDATING	12/8/89	NY- CFR	4	30426	11.97	1.26 D	MAR	1.17 U	12.13 X	4.8	13.1	10.4	10.4	1.3	9.8	368.9
C	CV REIT INC	8/11/89	NY- CVI	3	7227	11.57	0.00	MAR	0.90	7.38	19.1	(26.7)	8.2	0.0	(36.3)	7.8	53.3
NR	DEL-VAL FINCL		NY- DVL	4	6912	13.21	1.92 S	MAR	1.85	17.00 X	(4.0)	9.4	9.2	11.3	28.7	14.0	117.5
B	DIAL REIT INC #	5/25/90	NY- DR	1	5322	17.31	1.68	MAR	1.69	13.75	(3.5)	(19.9)	8.1	12.2	(20.6)	9.8	73.2
B	DUKE RLTY INVST #	10/27/89	NY- DRE	1	8594	6.70 $	0.68	MAR	0.68 S	4.63	2.8	(5.7)	6.8	14.7	(31.0)	10.1	39.7
B	EASTGROUP PROPS	12/8/89	AS- EGP	1	2505	22.05	2.00 D	MAR	3.34	14.25	(8.8)	(31.9)	4.3	14.0	(35.4)	15.1	35.7
B	EASTOVER CORP		OC- EASTS	3	1144	14.70	1.00 D	MAR	1.36	8.50	(4.2)	(23.2)	6.3	11.8	(42.2)	9.3	9.7
C	F- EQK RLTY INV I #	4/27/90	NY- EKR	1	7589	14.53 $	0.00	MAR	1.41 D	4.38	(5.4)	(62.8)	3.1	0.0	(69.9)	9.7	33.2
A	FEDERAL REALTY#	6/22/90	NY- FRT	1	16656	12.31 $	1.40 S	MAR	1.92	20.38 X	1.1	(10.2)	10.6	6.9	65.5	15.6	339.4
B	FIRST UNION RE#	10/20/89	NY- FUR	1	17440	9.22 $	1.50 S	MAR	2.06	15.63	1.6	(11.0)	7.6	9.6	69.5	22.3	272.5
NR	GOLDEN CORRAL #		OC- GCRA	2	1480	9.38	1.04	MAR	1.10	8.00	6.7	9.2	7.3	13.0	(14.7)	11.7	11.8
A	HEALTH CARE PRP#	12/22/89	NY- HCP	2	11480	23.45	3.01	MAR	3.31	31.13	3.3	16.4	9.4	9.7	32.7	14.1	357.3
B	HEALTH CARE REIT	6/22/90	AS- HCN	4	6132	12.25	1.72	MAR	1.78	13.13	7.1	3.1	7.4	13.1	7.1	14.5	80.5
D	HEALTH EQUITY PR#	12/8/89	NY- EQP	2	3622	12.62	1.08 D	MAR	1.67	6.13	(10.9)	(30.5)	3.7	17.6	(51.5)	13.2	22.2
D	HEALTHVEST #	8/25/89	AS- HVT	2	10773	8.30	0.00	DEC	1.74 D	2.38	(20.8)	(81.0)	1.4	0.0	(71.4)	21.0	25.6
C	HLTH & REHAB PRP#	12/22/89	NY- HRP	2	15998	8.76	1.16	MAR	1.20	9.00	2.9	11.2	7.5	12.9	2.7	13.7	144.0
C	HMG/COURTLND PROP	9/29/89	AS- HMG	1	1216	17.77	0.60 S	MAR	(1.26)	7.88 X	(10.8)	(18.3)	0.0	7.6	(55.7)	(7.1)	9.6
C	P- HOLLYWOOD PK RLTY	2/24/89	OC- HTRFZ	1	3956	(1.16)	0.13	MAR	(1.84) U	27.00	22.7	0.5	0.0	0.5	0.0	0.0	106.8
NR	HOMEPLEX MTG INV		NY- HPX	4	9675	9.07	0.50	MAR	0.73	3.25	0.0	(14.3)	4.5	15.4	(64.2)	8.0	31.4
B	HRE PROPERTIES #	6/22/90	NY- HRE	1	5407	26.13	1.80 U	APR	2.28 U	16.75	5.5	(21.5)	7.3	10.7	(35.9)	8.7	90.6
B	ICM PROP INVSTR #	6/22/90	NY- ICM	3	5476	13.64	0.48	MAR	0.79	7.63	5.2	(17.9)	9.7	6.3	(44.1)	5.8	41.8
NR	F- INCOME OPP RLTY		AS- IOT	3	3724	11.94	0.62	MAR	(1.66)	3.13	(10.7)	(57.2)	0.0	19.8	(73.8)	(13.9)	11.6
A	INTL INCOME PR#	4/28/89	AS- IIP	1	16374	9.79 $	1.12	MAR	2.76 U	19.25	3.4	38.6	7.0	5.8	96.6	28.2	315.2
NR	INVG MTG SECS		OC- INVG	4	682	26.25	1.40 S	DEC	(2.70)	8.25	10.0	(11.4)	0.0	17.0	(68.6)	(10.3)	5.6

RANK	NAME	COMMENT/ ADVICE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN. DIV.	--EARNINGS-- MON	12 MO.	PRICE 6/20/90	TOTAL RET. FROM 5/23/90	6/21/89	P/E RATIO	% ANN. YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. $
A	IRT PROPERTY CO#	6/22/90	NY- IRT	1	12102	9.02 $	1.16	MAR	1.08	12.00	2.1	(7.6)	11.1	9.7	33.0	12.0	145.2
B	KOGER EQUITY INC#	3/10/89	AS- KE	1	14313	18.70	1.80	MAR	1.89	18.25	6.6	2.2	9.7	9.9	(2.4)	10.1	261.2
C	L&N HOUSING		NY- LHC	5	2200	17.50	1.44 D	MAR	0.17	10.25 X	8.8	(14.1)	60.3	14.0	(41.4)	1.0	22.6
B	LANDSING PACIFIC#	10/20/89	AS- LPF	1	6070	19.10	0.80	MAR	0.75	8.50 X	7.1	11.0	11.3	9.4	(55.5)	3.9	51.6
NR	LINCOLN NC RL FND		AS- LRF	3	1998	11.30	0.60	MAR	(0.83)	6.75	(3.6)	(14.8)	0.0	8.9	(40.3)	(7.3)	13.5
NR	F- LINPRO SPCFD PROP		AS- LPO	1	1856	5.81	0.00	MAR	(3.24)	1.25	25.0	(41.2)	0.0	0.0	(78.5)	(55.8)	2.3
D	LOMAS & NET MTG	5/11/90	NY- LOM	4	11704	17.92	0.21	MAR	(3.77)	4.00	3.2	(67.9)	0.0	5.3	(77.7)	(21.0)	46.8
NR	MEDICAL PROPS		AS- MPP	2	2369	10.63	1.20 S	MAR	0.77	6.63	0.0	(10.6)	8.6	18.1	(37.7)	7.2	15.7
C	MEDITRUST #	12/22/89	NY- MT	2	18721	16.05	2.31 U	MAR	2.31	18.88	7.1	14.2	8.2	12.2	17.6	14.4	353.4
C	F- MELLON PART MTG	8/25/89	OC- MPMTS	5	8645	9.15	0.56	MAR	0.69 D	5.00	5.3	(23.3)	7.2	11.2	(45.4)	7.5	43.2
C	MERRY LAND & INV		OC- MERY	3	9678	6.92	0.40	MAR	0.84	4.25 X	(10.8)	(20.8)	5.1	9.4	(38.6)	12.1	41.1
B	MGI PROPERTIES #	2/23/90	NY- MGI	1	9401	17.71	1.12 S	MAY	1.31 U	11.13	0.0	(18.4)	8.5	10.1	(37.2)	7.4	104.6
C	MIP PROPERTIES #	8/25/89	AS- MIP	3	9020	8.24	0.40	MAR	0.80	3.75 X	2.7	(40.7)	4.7	10.7	(54.5)	9.7	33.8
B	MONMOUTH REIT #	1/27/89	OC- MNRTS	3	1949	4.54	0.70 S	DEC	0.65	5.25	(4.5)	3.5	8.1	13.3	15.6	14.3	10.2
C	MSA REALTY CORP #	6/22/90	AS- SSS	1	8647	6.31	0.60 S	MAR	0.36 U	6.25 X	4.5	(24.9)	17.4	9.6	(1.0)	5.7	54.0
E	VJ- MTG & RLTY TRUST	4/27/90	NY- MRT	3	11076	17.04	0.00	MAR	1.79	7.00	24.4	(51.4)	3.9	0.0	(58.9)	10.5	77.5
B	NATIONWIDE HLTH #	12/8/89	NY- NHP	2	11195	19.06	1.88	MAR	2.28	15.38	2.5	29.3	6.7	12.2	(19.3)	12.0	172.1
NR	NATL INCOME RLTY	3/24/89	OC- NIRTS	3	3678	27.38	1.05	MAR	(2.05)	8.50	(5.6)	(9.0)	0.0	12.4	(69.0)	(7.5)	31.3
A	NEW PLAN RLY TR#	5/25/90	NY- NPR	1	34846	8.49 $	1.08 U	APR	1.02 S	17.13 X	3.1	12.7	16.8	6.3	101.7	12.0	596.7
NR	F- NOONEY RLTY TR#		OC- NRTI	1	867	16.82	0.48	MAR	0.48	8.00 X	1.5	(5.6)	16.7	6.0	(52.4)	2.9	6.9
C	ONE LIBERTY PR#	6/23/89	AS- OLP	2	1339	11.97	0.00	MAR	0.45 U	9.50	(6.2)	(34.5)	21.1	0.0	(20.6)	3.8	12.7
A	PENN REIT#	5/25/90	AS- PEI	1	8215	9.90 $	1.72	FEB	1.68	22.25	6.0	3.0	13.2	7.7	124.7	17.0	182.8
NR	PITTS & WVA RR		AS- PW	2	1510	6.07	0.52	MAR	0.56 S	5.63 X	2.3	5.1	10.0	9.2	(7.3)	9.2	8.5
D	PRESIDNTL RL-A#		AS- PDL.A	3	479	3.70	0.80	MAR	1.13 D	5.88 X	3.4	(42.6)	5.2	13.6	58.8	30.5	2.8
D	PRESIDNTL RL-B#		AS- PDL.B	3	2856	3.70	0.80	MAR	1.13 D	5.63 X	(4.9)	(44.6)	5.0	14.2	52.0	30.5	16.1
B	PROPERTY CAPITAL		AS- PCT	3	9947	13.79	0.88	APR	2.36	11.00 X	(5.5)	(24.5)	4.7	8.0	(20.2)	17.1	109.4
A	PROPERTY TR AMER#	9/29/89	NY- PTR	1	5071	10.38	0.84	MAR	0.64	8.13	(1.5)	(10.4)	12.7	10.3	(21.7)	6.2	41.2
B	F- PRU RL CAPITAL #		NY- PRT	1	11135	1.40 $	0.00	---	0.00	0.50	(20.0)	(60.0)	0.0	0.0	(64.3)	0.0	5.6
B	F- PRU RL INCOME #		NY- PRTPR	1	11135	8.00	0.69	MAR	0.69 S	5.25	(2.3)	(10.3)	7.6	13.1	(34.4)	8.6	58.5
NR	RAC MTG INVESTMT		NY- RMR	4	14450	8.49	0.60 S	MAR	0.46	4.50	2.9	1.9	9.8	13.3	(47.0)	5.4	65.0
B	REALTY REFUND		NY- RRF	4	1021	18.29	1.72	APR	1.72	14.00 X	3.1	8.4	8.1	12.3	(23.5)	9.4	14.3
C	REALTY SOUTH		AS- RSI	3	2098	10.12	0.36	MAR	(0.65)	3.63	0.0	(35.1)	0.0	9.9	(64.2)	(6.4)	7.6
B	REIT OF CALIF#	10/20/89	NY- RCT	1	7368	12.44	1.42 S	MAR	1.59	15.00	4.3	(1.4)	9.4	9.5	20.6	12.8	110.5
NR	RESIDENTIAL MTG	5/25/90	AS- RMI	4	4220	7.90	0.00	MAR	0.04	1.63	0.0	18.2	40.6	0.0	(79.4)	0.5	6.9
NR	F- RESORT INCOME INV	8/25/89	AS- RII	5	4156	11.45	1.50	MAR	1.49	8.63	1.5	(6.2)	5.8	17.4	(24.7)	13.0	35.8
A	ROCK CTR PROPS #	4/12/90	NY- RCP	5	37510	16.14	1.88 S	MAR	1.84	18.50	0.7	5.8	10.1	10.2	14.6	11.4	693.9
NR	RPS REALTY TRUST	12/8/89	NY- RPS	5	29622	6.78	0.80	DEC	0.82	5.88	0.0	7.1	7.2	13.6	(13.3)	12.1	174.0
NR	RYMAC MTG INVSTMT		AS- RM	4	5364	8.11	1.60 S	MAR	0.85 D	7.75	5.1	5.4	9.1	20.6	(4.4)	10.5	41.6
A	P- SANTA ANITA	4/28/89	NY- SAR	1	11030	10.45 $	2.08 S	MAR	1.49	26.25	0.0	(8.6)	17.6	7.9	151.2	14.3	289.5
NR	F- SIERA CAP RLY IV#		AS- SZD	1	7466	7.88 $	0.30 S	MAR	0.35	4.00 X	1.9	(16.1)	11.4	7.5	(49.2)	4.4	29.9
NR	F- SIERA CAP RLY VI#		AS- SZF	1	3526	8.06 $	0.33 S	MAR	0.27	5.63 X	(5.8)	5.3	20.8	5.9	(30.2)	3.3	19.8
NR	F- SIERRA RE EQ83#		OC- SETBS	1	3032	7.21 $	0.35	MAR	0.09	4.50	2.9	(31.4)	50.0	7.8	(37.6)	1.2	13.6
NR	F- SIERRA RE EQ84#		OC- SETC	1	4887	6.76 $	0.00	MAR	0.09	3.00	0.0	(53.8)	33.3	0.0	(55.6)	1.3	14.7
B	SIZELER PROP INV#	2/24/89	NY- SIZ	1	3523	18.87	1.56	MAR	1.31 D	13.50	(1.8)	(4.4)	10.3	11.6	(28.5)	6.9	47.6
C	STORAGE EQUITIES		NY- SEQ	1	10943	14.69	0.80	MAR	1.15	8.00 X	0.9	(30.5)	7.0	10.0	(45.5)	7.8	87.5
NR	TIS MTG INVSTMT		NY- TIS	4	8100	7.90	1.28 S	MAR	0.97	7.38	(1.7)	(2.9)	7.6	17.4	(6.6)	12.3	59.7
C	F- TRAML CROW REI#		NY- TCR	1	9075	10.18 $	0.70	MAR	0.94	3.63	(6.5)	(24.8)	3.9	19.3	(64.4)	9.2	32.9
NR	F- TRANSCONTL RLTY #		NY- TCI	3	12766	11.85	0.63	MAR	0.24 D	2.88	0.0	(52.4)	12.0	21.9	(75.7)	2.0	36.7
A	UNIV HEALTH RLTY#	12/8/89	NY- UHT	2	7047	14.14	1.48 S	MAR	1.73	11.63 X	1.0	(1.1)	6.7	12.7	(17.8)	12.2	81.9
C	USP RL EST INV#		AS- URT	1	3880	7.42 $	0.60	MAR	0.40	3.63	0.0	(35.6)	9.1	16.6	(51.1)	5.4	14.1
A	UTD DOMINN RLY#	10/27/89	NY- UDR	1	11621	13.87 $	1.24	MAR	1.33	16.00	0.8	(4.3)	12.0	7.8	15.4	9.6	185.9
NR	F- VMS HOTEL INVSTMT		AS- VHT	5	9863	5.20	0.00	MAR	(2.65)	1.38	(26.7)	(65.1)	0.0	0.0	(73.6)	(51.0)	13.6
NR	VMS MTG INVSMT FD	11/24/89	NY- VMG	5	39709	4.75	0.00	MAR	(2.90)	1.63	(23.5)	(69.4)	0.0	0.0	(65.8)	(61.1)	64.5
NR	VMS S/T INCOME		AS- VST	4	6918	7.64	0.00	MAR	(0.55)	2.88	(14.8)	(50.5)	0.0	0.0	(62.4)	(7.2)	19.9
NR	VMS STRATGIC LAND		OC- VLANS	5	11994	6.85	0.00	MAR	(0.77)	4.38	6.1	(34.2)	0.0	0.0	(36.1)	(11.2)	52.5
A	WASH RE (WRIT)#	4/21/89	AS- WRE	1	15482	7.35 $	1.08	MAR	1.18	17.50 X	0.1	(6.6)	14.8	6.2	138.1	16.1	270.9
D	WEDGESTONE FINCL	8/11/89	NY- WDG	4	5795	4.18	0.00	MAR	(1.98)	2.00	33.3	(27.3)	0.0	0.0	(52.2)	(47.4)	11.6
A	WEINGARTEN RLY#	5/25/90	NY- WRI	1	16490	16.11 $	1.88	MAR	2.06	27.63 X	1.2	3.8	13.4	6.8	71.5	12.8	455.5
A	WESTERN INV RE#	10/20/89	AS- WIR	1	15969	14.73 $	1.44	MAR	1.53	17.50	0.7	0.8	11.4	8.2	18.8	10.4	279.5

COMPANIES AND MASTER LIMITED PARTNERSHIPS

NR	ABRAMS INDS INC		OC- ABRI	10	2994	6.00	0.20 S	APR	0.51 D	4.88 X	12.6	0.2	9.6	4.1	(18.8)	8.5	14.6
C	LP- AMER RE PARTNERS	1/12/90	NY- ACP	8	14372	17.37	2.00 S	MAR	1.85	11.00	(3.3)	(11.1)	5.9	18.2	(36.7)	10.7	158.1
L	AMERICANA HOTEL		NY- AHR	L	4920	9.68	8.00	MAR	(0.11)	5.88	14.6	(5.1)	0.0	136.2	(39.3)	(1.1)	28.9
C	AMREP CORP	5/25/90	NY- AXR	7	6618	10.13	0.00	JAN	(0.05)	8.00	8.5	(1.5)	0.0	0.0	(21.0)	(0.5)	52.9
NR	ANGELES CORP		AS- ANG	11	3620	6.49	0.00	MAR	(1.90)	4.75	(9.5)	(32.1)	0.0	0.0	(26.8)	(29.3)	17.2
E	VJ- BAY FINCL CORP		NY- BAY	8	3851	0.24 $	0.00	SEP	(7.47)	0.69	(26.7)	(92.8)	0.0	0.0	186.7	(3112.5)	2.6
C	LP- BURGER KING INV #	1/12/90	NY- BKP	8	4635	16.93	1.72	MAR	1.73	13.00 X	(2.3)	(0.4)	7.5	13.2	(23.2)	10.2	60.3
C	CALPROP CORP		AS- CPP	7	4630	9.22	0.00	MAR	0.86	7.13	11.8	(10.4)	8.3	0.0	(22.7)	9.3	33.0
C	CALTON INC		NY- CN	7	24544	2.69	0.00	FEB	(0.12)	0.56	(18.2)	(77.5)	0.0	0.0	(79.1)	(4.5)	13.8
NR	CENTENNIAL GROUP		AS- CEQ	10	26200	5.31	0.00	MAR	(0.32) D	0.88	(12.5)	(58.8)	0.0	0.0	(83.5)	(6.0)	22.9
A	CENTEX CORP	4/27/90	NY- CTX	6	15073	28.77	0.40	MAR	4.02	39.75 X	(6.8)	10.0	9.9	1.0	38.2	14.0	599.2
C	LP- CF INCOME PTNRS #	1/12/90	NY- CFI	8	13331	6.49	1.00	MAR	0.86	5.13	0.0	(19.7)	6.0	19.5	(21.0)	13.3	68.3
NR	CHAMPION ENTRPRS		AS- CHB	12	6577	4.99	0.00	FEB	(1.97) D	3.50	47.4	(9.7)	0.0	0.0	(29.9)	(39.5)	23.0
C	CHRISTIANA COS	5/11/90	NY- CST	7	5192	5.79	0.00	MAR	0.51	12.75	20.0	41.7	25.0	0.0	120.2	8.8	66.2
B	CLAYTON HOMES	5/25/90	NY- CMH	12	15836	6.31	0.00	MAR	1.11	10.50	(6.7)	18.3	9.5	0.0	66.4	17.6	166.3
NR	CONGRESS ST PROPS		OC- CSTP	10	1075	12.01	0.00	FEB	(0.70)	3.75	7.1	(37.5)	0.0	0.0	(68.8)	(5.8)	4.0
C	CONTL HMS HOLDING		OC- CONH	7	3515	8.14	0.00	FEB	0.87	7.25	11.5	56.8	8.3	0.0	(10.9)	10.7	25.5
B	COUNTRYWIDE CRDIT	2/24/89	NY- CCR	9	17167	6.84	0.28 S	MAY	0.84 U	8.88 X	35.0	16.7	10.6	3.2	29.8	12.3	152.4
D	COVINGTON DEVLPMT		OC- COVT	7	13957	0.86	0.00	MAR	0.21	0.69	0.0	(45.0)	3.3	0.0	(20.0)	24.4	9.6
D	DELTONA CORP		NY- DLT	7	5661	5.00	0.00	MAR	0.36	2.25	(10.0)	(50.0)	6.3	0.0	(55.0)	7.2	12.7
NR	LP- EMERALD HOMES LP		NY- EHP	7	5225	3.28	0.00	MAR	(1.91) U	1.13	0.0	(78.6)	0.0	0.0	(65.7)	(58.2)	5.9
B	LP- EQK GRN ACRES LP#	1/12/90	NY- EGA	8	10173	7.26 $	1.31 U	MAR	1.32 U	12.75	3.0	12.2	9.7	10.3	75.6	18.2	129.7
B	LP- EQUITABLE RE SC #	1/12/90	NY- EQM	8	10700	7.83 $	1.06 S	MAR	1.12 D	6.63	0.0	(9.8)	5.9	16.0	(15.4)	14.3	70.9
D	EQUITEC FNCL GP		NY- EFG	11	4952	(1.24)	0.00	MAR	(3.69) D	0.47	149.5	(76.6)	0.0	0.0	0.0	0.0	2.3
C	FAIRFIELD COMM	9/15/89	NY- FCI	7	10914	7.69	0.00	MAR	(2.03)	1.75	(50.0)	(73.1)	0.0	0.0	(77.2)	(26.4)	19.1
A	FED NATL MTG	5/25/90	NY- FNM	9	240530	13.55	0.72	MAR	3.53	40.00	(0.6)	37.3	11.3	1.8	195.2	26.1	9621.2

RANK	NAME	COMMENT/ ADVICE	EXCHANGE/ SYMBOL	GRP	SHARES (000)	BOOK VALUE	ANN. DIV.	--EARNINGS-- MON	12 MO.	PRICE 6/20/90	TOTAL RET. FROM 5/23/90	6/21/89	P/E RATIO	% ANN. YIELD	% PRICE TO BOOK	RETURN ON BOOK	MKT VAL MIL. $
NR	FIRST CAROLINA		OC- FCAR	10	630	34.33	0.50	MAR	2.53 D	34.00	(2.9)	15.0	13.4	1.5	(1.0)	7.4	21.4
B	FLEETWOOD ENTER	9/25/89	NY- FLE	12	22557	18.23	0.84 U	APR	2.42 D	27.88	0.5	7.5	11.5	3.0	52.9	13.3	628.8
B	FOREST CITY-A#	9/15/89	AS- FCE.A	8	5102	32.27 $	0.46 U	JAN	5.34	41.00	10.8	(20.3)	7.7	1.1	27.1	16.5	209.2
B	FOREST CITY-B#	9/15/89	AS- FCE.B	8	3890	32.27 $	0.40 U	JAN	5.34	42.00	13.9	(18.5)	7.9	1.0	30.2	16.5	163.4
C	LP- FORUM RETIREMENT#	6/14/89	AS- FRL	8	8742	8.49 $	0.40 U	MAR	0.36 U	2.38	18.8	(35.7)	6.6	16.8	(72.0)	4.2	20.8
NR	FPA CORP	4/27/90	AS- FPO	7	4011	4.06	0.00	MAR	(5.33)	1.13	12.5	(71.0)	0.0	0.0	(72.3)	(131.3)	4.5
E	VJ- GENERAL DEVLPMT	5/25/90	NY- GDV	6	8462	19.58	0.00	SEP	0.42	1.25	11.1	(90.7)	3.0	0.0	(93.6)	2.1	10.6
B	LP- GOULD INVSTRS LP#	9/29/89	AS- GLP	8	1075	17.50	0.00	MAR	1.35 U	40.25	0.0	(32.9)	29.8	0.0	130.0	7.7	43.3
L	F- GRUB&ELLS REIT		OC- GRIT	L	2500	7.27 $	1.50 L	MAR	0.66	5.63 X	0.0	14.6	8.5	26.7	(22.6)	9.1	14.1
C	GRUBB & ELLIS CO		NY- GBE	11	16281	5.00	0.00	MAR	(0.03)	3.25	(10.3)	(39.5)	0.0	0.0	(35.0)	(0.6)	52.9
NR	HAMMOND CO		OC- THCO	9	1272	5.41	0.10	MAR	0.23	3.13	(10.7)	(30.3)	13.6	3.2	(42.2)	4.3	4.0
NR	HENLEY PROPS INC	1/26/90	OC- HENP	7	18914	7.11	0.00	MAR	0.13	6.00	(7.7)	(11.1)	46.2	0.0	(15.6)	1.8	113.5
L	P- HOTEL INVESTORS	5/25/90	NY- HOT	L	12132	7.63	1.00	MAR	(5.03)	3.75	7.1	(47.9)	0.0	26.7	(50.9)	(65.9)	45.5
C	HOVNANIAN ENTR	4/12/90	AS- HOV	7	20695	6.80	0.00	FEB	1.05	5.88	11.9	(41.3)	5.6	0.0	(13.6)	15.4	121.6
NR	INDIANA FNCL INV		OC- IFII	8	894	14.09	0.00	MAR	0.96	7.50	5.3	15.4	7.8	0.0	(46.8)	6.8	6.7
A	LP- INTERSTATE GEN CO	3/23/90	AS- IGC	8	10066	4.03	0.80	MAR	1.24	7.38	(4.8)	7.0	5.9	10.8	83.0	30.8	74.2
L	JMB REALTY		OC- JMBRS	L	1423	10.32	1.10	FEB	0.60	6.25	(7.4)	(16.0)	10.4	17.6	(39.4)	5.8	8.9
A	KAUFMAN &BROAD HM	4/12/90	NY- KBH	6	27663	6.76	0.30	FEB	2.42	12.00	(6.8)	(32.1)	5.0	2.5	77.5	35.8	332.0
A	KOGER PROPS#	3/10/89	NY- KOG	8	26850	8.60	2.80	MAR	2.83	22.00	11.4	(11.0)	7.8	12.7	155.8	32.9	590.7
C	LP- LA QUINTA MTR IN#	1/12/90	NY- LQP	8	3975	15.12 $	1.00	MAR	1.36 U	6.50 X	0.0	(5.7)	4.8	15.4	(57.0)	9.0	25.8
C	LANDMARK LAND	4/27/90	AS- LML	10	8001	(0.26)	0.00	MAR	(4.89)	9.63	(8.3)	(54.6)	0.0	0.0	0.0	0.0	77.0
C	LEISURE+TECH	5/25/90	NY- LVX	7	5433	5.09	0.00	DEC	(0.20)	1.13	12.5	(80.0)	0.0	0.0	(77.9)	(3.9)	6.1
A	LENNAR CORP	6/22/90	NY- LEN	6	6722	26.09	0.24 S	FEB	2.55	17.25	1.5	(20.5)	6.8	1.4	(33.9)	9.8	116.0
NR	LOAN AMER FNCL-B		OC- LAFCB	9	1987	8.22	0.00	MAR	0.22	4.50	(5.3)	(14.3)	20.5	0.0	(45.3)	2.7	8.9
E	VJ- LOMAS FINANCIAL	9/29/89	NY- LFC	9	29909	(24.68)	0.00	MAR	(25.67)	0.50	77.9	(94.6)	0.0	0.0	0.0	0.0	15.0
C	M/I SCHOTNSTN HMS		OC- MIHO	7	5920	4.42	0.00	MAR	1.14	7.38	0.0	43.9	6.5	0.0	66.9	25.8	43.7
NR	MAJOR REALTY		OC- MAJR	7	6893	1.14	0.00	MAR	(0.53) D	14.00	16.7	8.7	0.0	0.0	1128.1	(46.5)	96.5
NR	MAY DEPT STORES		NY- MA	10	124574	18.65	1.58 S	APR	3.65	56.88 X	0.5	43.6	15.6	2.8	205.0	19.6	7085.1
NR	MCA INC		NY- MCA	10	74572	25.51	0.68	MAR	2.67	57.88	(2.5)	(2.6)	21.7	1.2	126.9	10.5	4315.9
D	MDC HOLDINGS	4/27/90	NY- MDC	6	19065	7.35	0.00	MAR	2.11 D	0.81	(7.1)	(75.9)	0.4	0.0	(88.9)	28.7	15.5
NR	MISSION WEST PR	4/27/90	AS- MSW	7	1501	12.49	0.36	FEB	(0.47)	9.88	2.6	12.2	0.0	3.6	(20.9)	(3.8)	14.8
L	MONY RL EST INV		NY- MYM	L	10639	7.58	2.00	FEB	1.34	4.63	15.6	(13.1)	3.5	43.2	(39.0)	17.7	49.2
NR	NATIONAL ENTRPRS		NY- NEI	12	14755	(0.11)	0.00	MAR	(2.17) U	0.50	0.0	(38.5)	0.0	0.0	0.0	0.0	7.4
C	LP- NATIONAL REALTY	8/25/89	AS- NLP	8	8557	(7.80)	0.00	MAR	(3.65) D	5.25	16.7	(35.4)	0.0	0.0	0.0	0.0	44.9
A	LP- NEWHALL LAND	9/29/89	NY- NHL	10	37648	3.58 $	0.80	MAR	1.87	27.88	(8.6)	(6.4)	14.9	2.9	678.6	52.2	1049.4
C	LP- NVR L.P.	4/27/90	AS- NVR	6	28023	4.69	0.04 D	MAR	0.75	2.75 X	0.4	(53.5)	3.7	1.5	(41.4)	16.0	77.1
B	OAKWOOD HOMES	5/25/90	NY- OH	12	5204	10.45	0.08	MAR	0.86	10.50	(2.3)	48.5	12.2	0.8	0.5	8.2	54.6
B	ORIOLE HOMES-A	5/26/89	AS- OHC.A	7	1921	14.60	0.65	MAR	1.82	7.88	(6.0)	(26.2)	4.3	8.3	(46.1)	12.5	15.1
B	ORIOLE HOMES-B	5/26/89	AS- OHC.B	7	1875	14.60	0.70	MAR	1.82	8.00	(4.5)	(22.2)	4.4	8.8	(45.2)	12.5	15.0
NR	PACESETTER HOMES	4/12/90	OC- PACE	7	1508	8.77	0.00	MAR	1.98	9.25	(7.5)	117.6	4.7	0.0	5.5	22.6	13.9
NR	PARKWAY COMPANY		OC- PKWY	10	1312	25.60	0.80 S	MAR	(1.00)	9.50	(25.5)	(35.6)	0.0	8.4	(62.9)	(3.9)	12.5
NR	PATTEN CORP		NY- PAT	7	17060	4.92	0.00	DEC	(0.18)	1.63	8.3	(50.1)	0.0	0.0	(67.0)	(3.7)	27.7
B	PERINI INV PR#	9/15/89	AS- PNV	8	3879	5.31 $	0.60	MAR	1.13	11.25	(8.2)	(30.3)	10.0	5.3	111.9	21.3	43.6
C	PETERS(JM) CO INC	4/12/90	AS- JMP	7	13980	10.03	0.00	MAY	1.56 D	7.00	(12.5)	(34.1)	4.5	0.0	(30.2)	15.6	97.9
D	PGI INC		AS- PGA	7	3317	(3.46)	0.00	MAR	(1.44) D	0.38	0.0	(72.7)	0.0	0.0	0.0	0.0	1.2
C	PHM CORP	4/27/90	NY- PHM	6	23519	12.54	0.12	MAR	2.07	8.88 X	4.8	(49.0)	4.3	1.4	(29.2)	16.5	208.7
C	LP- PRIME MTR INN LP#	1/26/90	NY- PMP	8	4000	19.61 $	2.08 S	MAR	2.67 U	7.88	(8.7)	(35.4)	2.9	26.4	(59.8)	13.6	31.5
NR	READING CO-A	4/27/90	OC- RDGCA	8	5072	11.21	0.00	MAR	2.91	13.75	3.8	0.9	4.7	0.0	22.7	26.0	69.7
C	LP- RED LIONS INNS #	1/26/90	AS- RED	8	4312	17.66 $	2.10	MAR	1.99	13.63	(2.7)	(8.8)	6.8	15.4	(22.8)	11.3	58.8
NR	ROCKWOOD NATL		PS- RNC	7	9828	2.00	0.00	DEC	(0.58)	0.31	(16.5)	(68.7)	0.0	0.0	(84.4)	(29.0)	3.1
A	ROUSE CO#	6/22/90	OC- ROUS	8	48003	6.32 $	0.60 S	MAR	1.26	23.75 X	(2.4)	(16.1)	18.8	2.5	275.8	19.9	1140.1
A	RYLAND GROUP	6/22/90	NY- RYL	6	11870	16.91	0.60 S	MAR	3.36	18.75	(8.5)	(7.9)	5.6	3.2	10.9	19.9	222.6
NR	SANTA FE PACIFIC		NY- SFX	10	158070	6.00	0.10	MAR	(1.48)	21.38	(0.6)	(7.6)	0.0	0.5	256.3	(24.7)	3378.7
B	LP- SHOPCO LAURL CTR#	1/12/90	AS- LSC	8	4660	7.62 $	1.12 S	MAR	1.03 D	8.25	3.1	(2.8)	8.0	13.6	8.3	13.5	38.4
B	SKYLINE CORP		NY- SKY	12	11217	14.00	0.48 S	MAY	0.87 D	14.38 X	0.0	(12.6)	16.5	3.3	2.7	6.2	161.2
D	LP- SOUTHWEST RLTY#	9/29/89	AS- SWL	8	4087	4.42 $	0.00	MAR	(0.02)	1.25	11.1	53.8	0.0	0.0	(71.7)	(0.5)	5.1
NR	STARRETT HOUSING		AS- SHO	7	6561	5.59	0.00	MAR	0.77	6.13	(7.5)	(23.4)	8.0	0.0	9.6	13.8	40.2
A	LP- STD PACIFIC L.P.	4/27/90	NY- SPF	6	27107	9.24	1.80	MAR	3.69	12.13	3.2	(14.9)	3.3	14.8	31.2	39.9	328.7
NR	TEJON RANCH CO	11/24/89	AS- TRC	10	12682	2.43	0.05	MAR	0.20	42.00	(4.3)	(7.1)	210.0	0.1	1628.4	8.2	532.6
C	TOLL BROS	4/27/90	NY- TOL	6	29683	2.96	0.00	APR	0.48 U	3.63	7.4	(23.7)	7.6	0.0	22.5	16.2	107.6
B	LP- UDC-UNIVRSL DEV	4/27/90	NY- UDC	7	7197	5.12	2.00	MAR	4.70	15.00 X	(1.6)	(18.2)	3.2	13.3	193.0	91.8	108.0
NR	UNICORP AMER		AS- UAC	10	17300	2.44	0.00	MAR	(5.89)	0.63	25.0	(87.3)	0.0	0.0	(74.4)	(241.4)	10.8
D	UNION VALLEY CORP		AS- UVC	7	3581	4.41	0.00	MAR	(0.36)	1.13	0.0	(83.3)	0.0	0.0	(74.5)	(8.2)	4.0
D	US HOME CORP	4/27/90	NY- UH	6	44031	4.19	0.00	MAR	0.02	1.13	(10.0)	(40.0)	56.3	0.0	(73.2)	0.5	49.5
NR	LP- VMS MORTGAGE INV		OC- VMLPZ	9	7629	4.10	0.00	MAR	(4.40)	1.00	(20.0)	(76.8)	0.0	0.0	(75.6)	(107.3)	7.6
NR	WASHINGTON CORP		PH- TWC.X	7	1739	4.57	0.08	DEC	(1.35)	3.38	(6.9)	(48.9)	0.0	2.4	(26.1)	(29.5)	5.9
B	WEBB (DEL) CORP	4/12/90	NY- WBB	6	9431	7.85	0.20	MAR	1.30	8.50	(13.9)	(19.5)	6.5	2.4	8.3	16.6	80.2
NR	LP- WINTHROP INS MTG		AS- WMI	9	3868	12.24	1.32 D	MAR	1.22	12.50	2.0	10.9	10.2	10.6	2.1	10.0	48.4

SYMBOLS & ABBREVIATIONS

RANKINGS: A - Strongest in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Buy; B - Above average in EPS/CFS/dividend growth, financial/liquidity position, and competitive posture in business segment. Above average market performer/buy; C- Average but some volatility apparent in EPS/CFS/dividend growth, financial/liquidity position, and open to competitive pressures. Speculative buy; D - Below average with high volatility in EPS/CFS/dividends, financial/liquidity pressures with some illiquidity, and less competitive business position. More speculative buy; E - Sustained losses and cash flow, illiquidity, and possible bankrupcy filing. Most speculative buy. NR = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up. D=Down. S=Unchanged. I=Initial. X=Ex Dividend. # = Cash Flow (EPS plus noncash charges). Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. $=Current appraised value reported see p. 7. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization.

RANKING CHANGE: MSA Realty Corp. C; One Liberty Properties B to C. **DELETED:** Writer Corp. **ADJUSTED:** CV REIT 5% stock payable 7/6/90 to shareholders of record 6/1/90. **GROUP CHANGE:** MSA Realty Corp. from Liquidating to Property REITs; Grubb & Ellis Realty Trust from Participating Mortgage REITs to Liquidating.